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PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FIFTH COUNTRY PROGRAMME FOR BOTSWANA

Programme period	Resources	$
1992-1996	Net IPF	6 988 000
	Estimated cost-sharing	10 348 000
	Total	17 336 000

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I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Socio-economic situation

1. At independence in 1966, Botswana was one of the world's poorest countries. It was characterized by an overwhelmingly rural population dependent on agriculture for a livelihood. Beef production, the main contributor to gross domestic production (GDP) and source of foreign exchange earnings was extremely uncertain due to frequent and prolonged cyclical droughts. Over 30 per cent of the male working population migrated to the mines in South Africa. The Government was dependent on foreign aid to finance its development and recurrent expenditures. Prospects for rapid socio-economic development seemed remote.

2. The 25 years since independence have seen a remarkable economic transformation. Large-scale discoveries of diamonds, copper-nickel and coal have led to unprecedented national prosperity. The impressive performance of the mining sector, largely diamond exports, has made Botswana the fastest growing economy in Africa. Real output has grown tenfold since independence, and real GDP growth has averaged 13 per cent per annum over the same time period. In 1990-1991, this was reflected by an estimated real GDP per capita of $2,740 (at the United Nations rate of exchange prevailing at the time of the analysis). Mineral earnings contributed the bulk of the country's foreign exchange earnings and 51 per cent of the 1988-1989 GDP, which was $2.39 billion. As a result of this performance, foreign reserves at the end of 1990 stood at an impressive $2.99 billion, enough to cover 25 months of imports at 1990 levels.

3. These outstanding economic indicators are largely the result of favourable international conditions, namely, the upward price shift in the world diamond market, coupled with a simultaneous depreciation of the Republic of South Africa rand (the principal currency of imports) against the dollar (the principal currency of exports).

4. The two-and-a-half decades since independence have also seen marked social progress. Much of the mineral revenue accruing to the Government has been invested in social and economic infrastructures. School enrolment has improved, with about 90 per cent of children of primary school age and about 30 per cent of secondary school age children enrolled in 1989. Rural village water supplies, which in 1966 consisted largely of unreticulated boreholes and wells, have been developed. In 1990, about 80 per cent of rural villages had access to potable water. Life expectancy and the infant mortality rate are much improved since independence; for example, in 1965, the average citizen could expect to live to 48 years, today to 60.2.

5. Despite these laudable achievements, Botswana still has major socio-economic hurdles to overcome. The true standard of living of the average citizen is not accurately reflected in macroeconomic indicators demonstrating economic health in the aggregate. For example, income distribution is highly skewed, with 60 per cent of income going to the top

20 per cent while urban household income is reported to have remained about twice that of rural household income in real terms over the last 16 years. There are also major gaps in education which have manifested themselves in a sizeable shortage of trained teachers, and limited access to secondary, vocational and university education. In addition, few job opportunities have arisen directly from mining, and the annual 14 per cent growth in formal sector employment has been financed largely out of public sector funds. Though rapid, this rate of employment generation is neither sufficient to absorb the average 23,000 school-leavers entering the job market every year, nor the backlog of over 100,000 unemployed with few marketable skills.

6. The hitherto heavy reliance on expatriate technical, professional and managerial staff in the public and private sectors has served the economy well, but is not sustainable in the long run. The current estimated unemployment rate of 12.7 per cent, when viewed in the context of major shortages of middle and senior level personnel, is a clear testimony to the fact that the average Botswana do not yet have the skills demanded by a rapidly modernizing economy.

7. Since 1973, Botswana has pursued an agricultural policy based on self-sufficiency in food production. Under this policy, the Government heavily subsidized agriculture, which not only failed to lead to self-sufficiency but also perpetuated dependency. Today, the sector remains depressed, contributing less than 4 per cent of the GDP. The manufacturing sector, though very small (contributing only 3.1 per cent to the GDP in 1989), is nevertheless expanding rapidly and is the sector the Government anticipates to absorb the surplus labour force.

8. Over the medium to long term, all signs are that Botswana will not be able to sustain the past rapid rates of growth. The seventh national development plan of Botswana forecasts that GDP growth per annum will slow to an average of 5 per cent over the plan period 1991-1997, and even this assumes an unprecedented surge in private industrial development. With no large mineral projects due to come on stream in the foreseeable future, mining's contribution to the Government's revenues is not expected to surpass current levels. This anticipated turn around in fortunes underlines the fragile nature of Botswana's "prosperity". Diamond production alone accounted for 80 per cent of exports in 1990, and is expected to provide an estimated 72 per cent of Government tax revenues in 1990-1991. The country's lack of economic diversification is an obvious constraint, particularly when Botswana's recent outstanding economic performance was largely the result of mineral wealth combined with favourable international conditions.

B. National development objectives and strategies

9. In April 1991, the Government finalized its seventh development plan, which covers the period 1991-1992 to 1996-1997. The plan sets out the four main national development objectives of: (a) rapid economic growth, (b) sustained development, (c) economic independence, and (d) social justice.

In this regard, the plan can be seen as a continuation of the same basic development philosophy propounded by its previous plan. The most important differences between the two are the emphasis in the new plan on security of household income and economic diversification away from over-dependence on the mineral sector and beef exports.

10. The Government has observed that progress towards the four objectives has not been even. The discovery, production and sale of diamonds has stimulated rapid growth as measured by the GDP, but the reinvestment of the diamond proceeds in domestic production activities, which would translate into income-earning opportunities for those seeking work, has proceeded less rapidly. Whilst the Government has been able to build considerable infrastructures and increase its provision of social services from its mining sector income, it has decided that, in the long run, the stimulus for growth must come from the private sector rather than its own spending. Emphasis will be placed on a carefully monitored shift from a pattern of high-speed mineral-led growth to a slower, but broader and more stable growth based on industrial expansion and diversification.

11. Since repeated analyses have demonstrated that agriculture in the Botswana context (low and erratic rainfall, poor soil conditions, cyclical droughts) has little potential to significantly develop the country, the Government has turned to industry in its rural development policy, in order to improve the non-urban standard of living through the availability of off-farm earned income. Human resource development has also been highlighted as a key focus of the development plan, and the Government's decision to give greater emphasis to quality and relevance of education and training alleviates the indirect support the Government plans to give the private sector. Multiple uses of natural resources will also be accorded priority, and here the interconnections between the environment, tourism and various forms of rural production assume prominence.

II. EXTERNAL COOPERATION

A. External cooperation priorities

12. In 1989 expenditure on Botswana's development programme was approximately $750 million, of which about 25.9 per cent or $194 million was derived from external sources. The distribution of external assistance by type of assistance in 1989 was as follows: investment project assistance (capital), 53 per cent; free-standing and investment-related technical cooperation, 26 and 14 per cent, respectively; and budgetary aid, food aid and emergency and relief assistance, 7 per cent.

13. External cooperation priorities are firmly rooted in national development objectives. In particular, the enormous shortage of adequately trained personnel at all levels and in all fields, and the country's land-locked status are reflected in the sectoral distribution of technical cooperation. Human resources development comprised nearly one third of the total

expenditures (30 per cent) in 1989, followed by energy (15 per cent), and transport (11 per cent). The sectors of agriculture, forestry, fisheries and development administration, each absorbed between 8 and 9 per cent, while all other sectors individually accounted for 6 per cent or less.

14. In terms of both total assistance and grants, the three major donors in 1989 were Germany, the United States and Norway. They contributed, respectively, 16 per cent, 14 per cent and 10 per cent of total assistance, and 24 per cent, 20 per cent, and 14 per cent of grants. The United Nations Development Programme (UNDP) and the United Nations Capital Development Fund (UNCDF), were the ninth and tenth largest contributors of grant funding with 2.5 per cent and 2.3 per cent, respectively. The significant increase in the contributions of the United States and Japan (14 and 11 per cent, respectively) as reported in 1989, indicates the importance attached by the Government to the industrial sector, privatization and technology investment.

15. External assistance from the United Nations system in 1989 was 17 per cent of the total external assistance, of which UNDP contributed 1.8 per cent. The largest contributor from within the system was the World Bank at 8 per cent of the total.

B. Aid coordination arrangements

16. UNDP's activities are carefully coordinated with the other components of the Government's overall programme of external technical assistance. This coordination will be strengthened at two levels: Government and donor structures. At the donor level, UNDP is to continue to pursue the practice of holding regular meetings with major donors, sister agencies and non-governmental organizations (NGOs) in order to enhance not only the coherence of each agency's respective programme and maximize complementarities, but also to mobilize additional resources.

17. At the Government level, UNDP has been asked to pursue a vigorous institution-building programme to strengthen national capacities for overall coordination activities. To this effect, a UNDP-financed project to strengthen management skills in the Department of Development Programmes of the Ministry of Finance and Development Planning is expected to significantly contribute to upgrading Botswana's national capacity to coordinate external assistance from the entire donor community.

18. In the area of regional coordination, greater efforts need to be exerted to identify complementarities between national programmes and projects, on the one hand, and subregional and regional programmes, on the other. To this end, the outposted UNDP regional programme officer based in Lusaka has a key role to play in identifying, preferably at the design stage, ways in which national programmes could be strengthened by ongoing or planned regional programmes. The possibility of further strengthening subregional and regional coordination also exists within the Southern African Development Coordinating Conference (SADCC) framework, and Botswana, as the host country of the SADCC secretariat, is in a position to fully utilize this avenue.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

19. A major strength of the fourth country programme has been its flexibility and responsiveness to a range of needs identified by the country's sixth development plan (1986-1991). However, the programme covered over 10 sectors and the mid-term review of the programme found that these resources were dispersed too unduly and this resulted in a dilution of impact.

20. In the current cycle, UNDP worked not only with sister agencies within the United Nations system in both the execution and funding of projects, but has also attracted over 50 per cent cost-sharing from both Government and bilateral sources. While collaboration with the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO) and the International Labour Organisation (ILO) in the execution of projects has been close, there has been little experience of other execution modalities. National execution of projects has been constrained by severe capacity limitations, and it is here that the Government proposes to concentrate a substantial proportion of its attention in the fifth cycle. One project was executed by a national NGO during the fourth cycle.

21. UNDP has also collaborated very closely with several of the UNDP-administered funds. UNCDF funds enabled indicative planning figure (IPF) and cost-sharing resources to be deployed effectively, for example, by building grain storage facilities as a component of an FAO-executed project to strengthen the strategic grain reserve programme, and providing the capital for small dam construction, while FAO provided the technical expertise to strengthen the Small Dams Unit of the Botswana Ministry of Agriculture. The United Nations Volunteers (UNV) has expanded the impact of IPF funds by providing highly skilled experts at low cost in many key areas, including health, education, cartography, meteorology and civil aviation. The special measures fund for the least developed countries has assisted the Government with two projects (strategic grain reserve and strategic oil reserve). The availability of these funds enabled the Government to address problems arising out of specific circumstances not originally foreseen (an extended drought and potentially disrupted oil supplies), thereby filling a critical gap in the provision of technical assistance of an emergency nature. One project links the Special Action Programme for Public Administration and Management (SAPAM), the IPF and the Government of the Netherlands funds to provide assistance to the Government in training in public administration.

22. Throughout the fourth cycle, and particularly in its early stages, a major problem was encountered in the securing of adequate numbers of skilled national personnel. Institutionalization suffered as a result, and project sustainability was placed in doubt. UNV education specialists, for example, were employed directly as teachers trainers, rather than as teacher trainers, in which capacity they would have had a greater long-term impact.

23. Despite the above problems, significant advances were made in developing skills as a result of the effective use of training in some projects. The soil mapping and advisory services project for example, active in successive phases since 1979, has built a solid national capability in soil surveying and cartography, while the meteorological services project made a similar contribution in the field of meteorological data collection and analysis.

24. This positive experience indicates the possibility of resolving shortfalls in provision of government counterpart staff, provided projects are carefully designed with a dynamic and relevant training component that is vigorously implemented. This is a major lesson of the current country programme. Such experience with national capacity-building indicates that future programmes should have two essential elements, (a) a longer time horizon (of up to 10 years) rather than short-term interventions, and (b) provide for long-term in-service and external training programmes. Thus, rather than seek qualified government counterparts, the aim should be to seek trainable counterpart staff.

B. Proposals for UNDP cooperation

1. Preparatory process

25. Preparations for the fifth cycle country programme began with the fourth cycle mid-term review in September 1989. In response to its findings of an overly scattered approach, the Government requested UNDP to focus its activities for the fifth cycle on three priority areas defined as: employment generation; human resource development; and agriculture.

26. Accordingly, during 1990 UNDP fielded, with the assistance of UNIDO, ILO, the International Trade Centre (ITC), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and FAO, three multisectoral programming missions to analyze needs for assistance and UNDP's potential role in each of these priority areas. The missions generated a range of project ideas aimed primarily at filling identified gaps in technical assistance provision, although linkages and common themes could be easily discerned.

27. As discussions with the Government progressed, and with the approval of the national conservation strategy in December 1990, and the revised agricultural policy in February 1991 (both of which were prepared with significant grass-roots participation), the strategy for UNDP assistance and the priority areas were reviewed and redefined. Employment generation assumed a more distinct rural orientation; human resource development became the key area of UNDP assistance with a definite focus on skills development for rural-based employability, and, following the shift in national agricultural policy from a self-sufficiency objective to one of food security, UNDP was requested to focus on efficient use of limited natural resources rather than agriculture per se, again with a view to enhancing the diversity and viability of the rural economy. Reflecting the Government's desire to strengthen national management and coordination capacity, a fourth area of concentration was defined: strengthening of public administration and management.

28. Discussions were held at every stage with others in the donor community, especially the Joint Consultancy Group on Policy (JCGP) agencies represented locally: UNICEF, the United Nations Population Fund (UNFPA) and the World Food Programme (WFP). In addition, the results of the review/programming missions by UNCDF and UNV, conducted in December 1990 and February 1991, respectively, constituted major inputs in this preparatory process.

29. In May and June of 1991, two further missions were fielded with the explicit objective of strengthening understanding of the implications of the "programme approach" on development assistance and identifying the opportunities for these presented by the national development plan. Meetings were held with Government, project and UNDP staff, and the pipeline was reviewed in order to anchor it more firmly in Government programmes. One of these missions discussed with the Government its aid coordination mechanism and the possibility of formulating a national framework for development assistance to guide overall donor technical assistance programmes.

2. Strategy for UNDP cooperation

30. Analysis of the ongoing country programme and the known shortage of skilled expertise led to the conclusion that UNDP's principal comparative advantage in the context of Botswana lay in training for capacity-building due to its global access both to technical expertise and relevant training resources, and its ability to bring together a range of donors and executing agencies. Consequently, the Government has invited UNDP to focus its attention on institutional strengthening within each area of concentration, and to achieve sustainable impact by training trainers (extension workers, teacher trainers, university teachers) and, where appropriate, by assisting in the formulation of strategy and policy documents, as in the employment generation and natural resource conservation areas of concentration. UNDP will continue to participate in the ongoing dialogue on programming methodologies, with complementary support to needs assessment, programme formulation, and programme management. It is anticipated that the outcome of the human development initiative, undertaken in collaboration with UNICEF, and the aid coordination activities that complement it, will be key contributing factors to laying the foundation for future programming following a more integrated approach.

3. Proposed UNDP cooperation in selected areas of concentration

(a) Employment generation

31. In this area of concentration, UNDP will support the Government in its objective of establishing a favourable environment in both rural and urban areas which will kindle private initiatives and foster profitable activities that generate employment and other sources of income.

Institutional support to small-scale industries

32. Currently, the major Government thrust to achieve this objective is the provision of credit facilities to the small entrepreneur. The German Agency for Technical Cooperation (GTZ) provides a revolving loan fund to Tswelelo, a Government-run credit institution, and the United States Agency for Industrial Development (USAID) is very active in promoting the private sector focused on urban areas and medium to large undertakings. UNDP has been asked to support small-scale industries and the manufacturing-related informal sector.

33. Government credit is provided principally through the Financial Assistance Policy (FAP) programme operated by the Integrated Field Services of the Botswana Ministry of Commerce and Industry. FAP is an incentive programme designed to stimulate investment and employment generation opportunities. Between 1982 and 1987, a total of 1,179 recipient firms were funded to the tune of $25.15 million. Although nearly 15,000 additional jobs were expected to directly result from that expenditure, only 6,000 positions were actually created. The lesson to be drawn from this experience is that Government financing is of limited use when not accompanied by technical assistance, and that such assistance should be designed to aid new entrepreneurs and infant business/industrial activities. This is a capacity constraint that UNDP and other donors have been asked to address.

34. The objective of UNDP support in this area is to strengthen the Government's delivery of technical assistance to fledgling enterprises through upgrading of the training and outreach skills of extension staff based in three regional centres of the Integrated Field Services. As a basis for this support, information on existing small-scale and informal sector activities will be obtained through surveys to be funded by USAID and UNDP. Complementary activities will be undertaken under the United Nations Development Fund for Women (UNIFEM)-funded project - Training in Leadership and Communication for Social Change - which provides management advice and technical assistance to a national NGO, the Botswana Council of Women, in its support of small-scale enterprises. UNCDF funding has also been earmarked to supplement this technical assistance by building integrated field service stations.

35. UNCDF has discussed with the Government the question of additional credit provision, and $2 million have been earmarked to support a revolving loan fund that will be set up in the course of the next planning cycle by the Rural Development Unit of the Ministry of Finance and Development Planning. In addition, the Ministry has expressed interest in UNCDF's training programme for credit procedures developed by the Grameen Bank, based in Bangladesh.

36. Success criteria for this area will be increased numbers of viable small-scale business which have received advice and training from the Investment Feasibility Study (IFS). The Government/UNDP/USAID-funded study will provide baseline data for such an assessment.

Economic diversification and export promotion

37. Under this area, a major disequilibrium that the country faces as it seeks to diversify its economy will be addressed, namely, that non-mineral and non-meat exports account for less than 8 per cent of the total, and yet must provide the bulk of all future expansion in employment. The objective will be to strengthen citizen-owned companies to produce goods for export. Backward linkages will be established with institutional support to small-scale industries. Linkages will also be forged with a project - Export Production and Market Development, a Swaziland-based regional project which provides technical assistance to women entrepreneurs - to enable them to enter the export sector. Because of Botswana's specific rural social structure, with over 50 per cent of households headed by women, the project is developing appropriate methodologies to enable it to respond to the specific needs of women as they seek to expand household income. Further connections are with the regional project known as the Development of Effective Quality Control Standards and Testing Services for Export Products and Packaging in the SADCC Region, and Direct Assistance in Export Packaging to Selected Enterprises.

38. Success criteria for this area will be increased export of the output of companies assisted and increases in foreign exchange earnings, plus the existence of enabling legislative and policy environment for the private sector.

Aquaculture

39. An area that presents opportunities for further income and employment generation is fish farming. Technical assistance will be provided to the aquaculture programme of the Ministry of Agriculture, and small water reservoirs will be populated with fingerlings. Significant grass-roots participation is expected to be generated. Success criteria here will be increased consumption of fish, and of sales of fish, at the village level, leading to improved incomes and nutrition.

40. In this area of concentration, the IPF and cost-sharing resources are estimated to be $2.431 million ($1.491 million as cost-sharing) or 14 per cent of total programme resources.

(b) Human resource development

41. Education and training have been a dominant governmental priority in Botswana since independence, and great progress has been made in these areas. A relatively high average adult literacy rate of 71 per cent, including 69 per cent for females (1985), is an important educational achievement which should be incorporated into all plans for capacity-building and employment creation. However, a shortage of teachers and of training facilities have combined to place considerable constraints on the development of a trained populace. Further, the heavy emphasis now placed by the Government on industrial development greatly exacerbates existing shortages of skilled personnel.

42. UNDP's comparative advantages in Botswana and the activities of other donors in the country indicate that UNDP should focus its assistance on education and training, paying particular attention to the post-secondary level. USAID and the Swedish International Development Authority (SIDA) are providing assistance to secondary education, and the Canadian International Development Authority (CIDA), to tertiary education. In the vocational area, the United Kingdom (UK) and Germany are particularly active.

43. For this area of concentration, therefore, UNDP assistance will address two national objectives: "to promote industrial and rural development by providing training to meet skilled manpower requirements"; and "to train citizens in various skills and professions to meet manpower requirements of the economy thus enabling Botswana to assume more responsibility in the management of the economy". As mentioned in paragraph 30 above, the focus will be on training trainers to achieve maximum multiplier effect.

Strengthening in-service and pre-service training capability

44. UNDP has been asked to assist in formulating a "localization programme", that is, the replacement of expatriate personnel by nationals, and in providing pre-service and in-service training in the areas of education, health and agriculture. The Government has discussed the possibility of UNCDF complementing IPF resources by building vocational training centres. UNV has been invited to contribute to this "localization programme" in the key areas of teacher training and primary health care. The programme will provide teacher trainers rather than teachers, as was done in the previous country programme, and health-care trainers rather than operational-type specialists, to be based at the district level. An important component of this programme will be the provision of epidemiology and community out-reach specialists to assist the National AIDS (acquired immunodeficiency syndrome) Control Programme (NACP). In this, UNDP has worked closely with the World Health Organization (WHO), in the framework of WHO/UNDP Global Alliance on human immuno-deficiency virus (HIV)/AIDS. It is possible that further assistance to the NACP in the area of information, education and communication will be developed once the Government's requirements for its NACP for 1992 and beyond are determined.

45. In the field of agriculture, in-service training to agricultural extension workers will be provided through the Botswana College of Agriculture. Included in the courses will be an emphasis on environmentally and ecologically appropriate methods, and a range of approaches to promoting community participation in development. Another contribution will be in the area of distance education, catering to the needs of those population groups unable to attend existing urban-based training institutions.

46. Success criteria will be: the number trained in each target discipline; the actual numbers of job-market entrants; improvement in performance of the graduates of in-service training, numbers of trained national trainers; and reduction of expatriate personnel in each target discipline. Data will be gender disaggregated.

Training in civil aviation

47. The Government is finalizing its Civil Aviation Master Plan, funded by UNDP (BOT/89/001). This 10-year plan will coordinate the development of the Department of Civil Aviation and the development of international and domestic equipment. UNDP will participate by providing training for national personnel in a range of civil aviation operations. Success criteria will be airports at Gaborone, Kasane and Maun in safe and efficient operation, and numbers of personnel trained.

(c) Natural resources conservation and utilization

48. The national objective to which UNDP will contribute in this area of concentration is "to increase the effectiveness with which natural resources are used and managed".

49. As the potential for agriculture has narrow limits, the Government has requested UNDP to continue working towards an optimum use of the available land and water resources in order to decrease the dependency on imported food, while minimizing environmental degradation. This will be done through a continued improvement of land use planning.

50. There are many issues to be considered regarding the relationship between agricultural and livestock production, on the one hand, and natural resource conservation, on the other; while the growing significance of tourism to the economy adds a further dimension. In the context of Botswana, the success or failure of rural development is intimately related to the development of appropriate strategies for the use of natural resources, as limited arable soil and water are critical constraining factors. UNDP will seek to promote the linkages between conservation and utilization/economic diversification, bringing the themes of poverty eradication and grass-roots participation in development, particularly women's groups. This area of concentration also presents opportunities for the transfer and adaptation of technology.

Land use management

51. The principal natural resources upon which rural development depends are land and water. Both are in short supply in Botswana. The land area relative to population is large, but land suitable for arable production is extremely limited, and must be used judiciously. Technical assistance will be provided in the development of a methodology for land use planning and in its application to improving agricultural production in a sustainable manner. Land use planning project recommendations will be formulated in the context of farmer needs and Government policies, and their transmission to land users through the extension service will be improved. Here active collaboration with the Regional Farming Systems Programme will be of fundamental relevance. Moreover, linkages will be established with the IFAD-funded Arable Land Development Programme. The ongoing project - strengthening meteorological services - will continue to assist the Government in its rainfall utilization plans. Success criteria for this area will include increased yields and productivity through sustainable land use methods by farmers.

Water resources management

52. Under this area, UNDP will provide assistance to small-scale water conservation and irrigation schemes and to the appropriate exploitation of the conserved water for productive purposes through improved extension services to rural communities and enhanced planning and technical capabilities of the Small Dams and Irrigation Sections of the Ministry of Agriculture. UNDP's area of focus on grass-roots participation and adaptation of technology for development will be relevant here. Success criteria will be the completion of small irrigation schemes managed by village groups and evidence of the ability of the Irrigation Unit to provide enhanced extension services to these groups.

53. Approximately $5.7 million IPF and cost-sharing resources will be allocated to this area of concentration, comprising 33 per cent of the total. Of this, $3.326 million will be cost-sharing.

(d) Strengthening of public administration and management

54. In this area of concentration, UNDP will support Government commitment to strengthen the planning and financial management machinery during the seventh national development plan. Sound management of financial resources is, of course, the key to successful development planning, and the Botswana Government has a strong record in this area, as is evidenced by its prudent management of diamond revenues and its projected move towards a more diversified economy. UNDP will draw upon its institution-building expertise to provide catalytic inputs in two programme areas.

Public administration and management

55. The objective of this area is to address the severe shortage of managerial skills in the public and private sectors through the provision of trainers in public administration. Three training institutions (University of Botswana, the Institute for Development Management (IDM), and the Botswana Institute for Administration and Commerce) will continue to receive technical training for middle-level and senior government and parastatal administrators. Complementary activities will be funded by UK/ODA (official development assistance) to strengthen the personnel administration capability of the Directorate of Public Service Management. CIDA funds bursaries at IDM to train potential managers from the SADCC subregion as well as seminars on management and policy issues.

56. Support will also be provided in the area of aid coordination and management through the establishment of a database on all external assistance with a view to improving information flows and decision-making. The required computer training will be funded by the German Agency for Technical Cooperation (GTZ).

57. Given the relatively undiversified nature of the country's economy and its high vulnerability to terms-of-trade and exchange-rate fluctuations, as well as cyclical spells of drought, the Government's objective has been to

maintain foreign reserves balances at higher than normal levels to be able to mitigate any extreme negative impact on the economy and people. The Government wishes to improve the management of its foreign exchange reserves through more effective tranching and diversification of investment instruments. UNDP will provide assistance to the Bank of Botswana to institutionalize sound and flexible methods of managing these reserves.

58. Success criteria will be improved management systems developed and in place in the Ministry of Finance and Development Planning and the Bank of Botswana, with managers reporting improved information flow and ease of decision-making. In the area of public administration training, the success criteria will be improved training capability, and increased numbers of those trained, by gender.

Strategic reserve management

59. This programme is coordinated by the National Contingency Planning Committee chaired by the Ministry of Finance and Development Planning, and receives funding from three donors: the Commonwealth Development Corporation (CDC), UNDP and SIDA. The programme covers two essential commodities: oil and grains (sorghum and maize). With regard to oil, UNDP assistance will be focused on strengthening the capability of the Petroleum Affairs Unit of the Ministry of Commerce and Industry to establish and implement a long-term policy aimed at ensuring adequate oil reserves and stable prices. SIDA will fund a feasibility study on the construction of underground storage facilities. In the area of grains, the objective is to maintain a reserve of 80,000 tons, establish an efficient management and operations system and train national staff. Further food security measures are provided by the CDC which funds the coordination of activities to enable the private sector to stockpile essential supplies, principally foodstuffs. Success criteria for this area will be levels of stocks maintained, and numbers of trained staff in place and able to manage these reserves.

C. Implementation and management arrangements

60. The fifth cycle country programme will be coordinated by the Government of Botswana/UNDP Joint Committee on Programme. As an initial step in the Government's commitment to move as rapidly as possible towards full national execution, a training workshop on national execution procedures was held in June 1991 for all Government planning officers and programme officers from UNDP and other United Nations agencies. National execution is supported in the larger context of building national capacity to programme and manage the development process. It is likely that agencies such as FAO, ILO, ITC and UNIDO will continue in a cooperating role during most of the fifth cycle period.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

	(Thousands of dollars)	
Carry-over from fourth cycle IPF	(263)	
Fifth cycle IPF	7 251	
Subtotal IPF		6 988
Project cost-sharing (Government)	8 417	
Project cost-sharing (third-party)	394	
Programme cost-sharing	1 537	
Subtotal cost-sharing		10 348
TOTAL		17 336

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

Area of concentration	Thousands of dollars IPF	Cost-sharing	Total	Percentage of total resources
1. Employment generation	940	1 491	2 431	14
2. Human resources development	2 506	4 583	7 089	41
3. Natural resources	2 144	3 326	5 470	32
4. Public administration and management	700	948	1 648	9
Subtotal	6 290	10 348	16 638	-
Unprogrammed reserve	698		698	4
TOTAL	6 988	10 348	17 336	100

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III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES USED IN AREAS OF CONCENTRATION

(Thousands of dollars)

A. UNDP-administered funds		
SPR	205	
UNCDF	12 485	
UNIFEM	284	
Subtotal		12 974
B. Other United Nations resources		
SAPAM	596	
Subtotal		596
Total non-core and other United Nations resources		13 570
C. Non-United Nations resources		44 232
TOTAL		57 802

Annex II

PROGRAMME MATRIX

Area of concentration	Area of focus a/					
	Poverty eradication and grass-roots participation	Environment and natural resource management	Management development	TCDC	Transfer and adaptation of technology	WID
I. EMPLOYMENT GENERATION						
Small-scale industries	*	*	*			*
Export development			*			*
Aquaculture	*	*			*	*
II. HUMAN RESOURCE DEVELOPMENT						
Training capability	*	*				*
Civil aviation			*	*	*	
III. NATURAL RESOURCES CONSERVATION AND UTILIZATION						
Land management	*	*				*
Water resources	*	*			*	
IV. STRENGTHENING PUBLIC ADMINISTRATION AND MANAGEMENT						
Public administration			*			
Strategic reserves			*			

a/ Asterisks indicate major linkage only.

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PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FIFTH COUNTRY PROGRAMME FOR BOTSWANA

Note by the Administrator

I. PREPARATORY PROCESS

1. The fifth country programme for Botswana reflects a clear strategy by the Government to focus the resources available from the United Nations Development Programme (UNDP) on key programme areas. This is done in such a way as to achieve not only maximum multiplier effect, but also to complement other externally assisted programmes.

2. While there is no overall policy framework in terms of which technical cooperation can be coordinated and prioritized, there is a national development plan which is the outcome of extensive consultations at every level of Government, from the village to the central government structure. It is on the basis of this plan that the Ministry of Finance and Development Planning defines its programme and project needs for socio-economic development, only about 25 per cent of which is funded from external sources. The country programme period coincides with the plan period (1992-1997).

3. The mid-term review of the fourth country programme found that the programme had been scattered over 10 sectors with a consequent dilution of impact. In early discussions on the fifth cycle country programme, the Government therefore requested UNDP to focus on three priority areas. Three programming missions by United Nations system agencies were fielded to assess current programmes and make recommendations for future assistance in each priority area: agriculture (the Food and Agriculture Organization of the United Nations (FAO)); human resource development (the International Labour

Organisation (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), UNDP) and employment generation (ILO, the International Trade Centre (ITC), the United Nations Industrial Development Organization (UNIDO)). At about the same time, UNDP was involved in discussions relating to the preparation of a new agriculture policy and to a national conservation strategy. Cross-sectoral programming missions from the United Nations Capital Development Fund (UNCDF) and the United Nations Volunteers (UNV) also took place, making valuable contributions at an early planning stage, as did discussions with the Joint Consultative Group on Policy (JCGP) agencies represented locally: the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP).

4. In defining the UNDP contribution in each programme area discussions were also held with bilateral donors: the United States Agency for International Development (USAID) with regard to employment generation and support to the private sector; the Official Development Assistance (ODA), the Gemeinschaft Technische Zusammenarbeit, USAID and the Canadian International Development Authority (CIDA) in connection with public service management; and the Commonwealth Development Corporation (CDC) and the Swedish International Development Authority (SIDA) with regard to strategic reserve management.

5. The country programme preparation process was coordinated by a joint committee of Government and UNDP representatives, chaired by the Ministry of Finance and Development Planning. As the discussions within this committee progressed, the collective understanding of the programme approach to development planning evolved. This evolution was greatly assisted by two missions that were fielded with the explicit objective of gaining a better understanding of the concept and its application.

6. As a result of these missions, the three priority areas originally defined for UNDP assistance in the advisory note were refined and a fourth area, public sector administration, was added. The agriculture area evolved into a broader focus on natural resource utilization and conservation. The priorities within the human resource development area were defined as pre-service and in-service training, while the programme area of employment generation gained a more defined rural focus.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

7. Botswana has a prosperous, although undiversified, economy. The overwhelming constraint to development is major, and in some areas potentially crippling - shortage of appropriately skilled and motivated human resources. In view of this, the selection of areas of concentration for UNDP assistance was guided by its known global access to technical expertise, together with its long experience in capacity-building. Thus, the country programme evidences in each of the four areas of concentration a focus on institutional strengthening, and on training of trainers of various kinds (extension workers, teacher trainers, health sector trainers, community outreach workers).

8. Each area of concentration addresses a critical constraint spelled out in the national development plan, the vulnerability of fledgling enterprises and the imperative to develop export markets given the limited size of the domestic market; shortages of skilled personnel in the technical and managerial areas; limited availability of both productive land and water; and the need for strengthening of public administration and management, especially in finance and with regard to the two strategic reserve commodities (oil and cereals).

9. Each of the four areas of concentration specifies clearly the institution to be assisted, and how UNDP assistance will contribute to the strengthening of that institution in the context of other assistance to be provided by the Government and/or by other external donors to the respective sector or subsector. In recognizing that the programme approach remains to be fully realized in the fifth country programme, the document has been prepared in such a way as to enable its fuller implementation towards the end of the fifth cycle.

10. Thematic concerns will achieve concrete expression throughout the fifth cycle country programme. Several areas feature a primary emphasis on poverty eradication and grass-roots involvement, with innovative participatory approaches. Similarly, environmental concerns will be incorporated throughout, whether in terms of environmentally sensitive curricula or in terms of specific practices and technologies in agriculture and small-scale business. Success in the areas of concentration of natural resources and employment generation will be ultimately connected to technology adaptation and transfer, where there is considerable scope for technical cooperation among developing countries (TCDC), particularly for the use of expertise from the subregion. For a country in which 52 per cent of the population is female and estimates of the incidence of female-headed households vary from 37 to 50 per cent, gender is a prominent variable in development planning, and has been appropriately incorporated in each area of concentration. One area of concentration is devoted to management of development, in recognition of the need to expand and deepen national capacity for that task. This will also facilitate national execution of external cooperation.

11. Resources available for the fifth cycle comprise about $17.3 million in indicative planning figure (IPF) and Government cost-sharing, and a further $13.5 million from UNDP-administered funds, totalling $30.8 million. Of this, the greater part (41 per cent) will be allocated to human resource development, in response to the country's major development constraint; 32 per cent will be allocated to natural resources, while 14 per cent and 9 per cent, respectively, will be allocated to employment generation and public management.

III. MANAGEMENT OF PROGRAMME IMPLEMENTATION

12. The fifth country programme will be managed and monitored using in part traditional instruments such as the country programme management plan, annual tripartite reviews, in-depth evaluation missions, and the mid-term review. With the move towards a more comprehensive programme approach, new and revised mechanisms will be introduced to provide appropriate oversight for each programme area.

13. To this end, an enhanced role for the joint Government/UNDP committee is envisaged together with the setting up of sectoral or multi-sectoral subcommittees for each national programme to be made responsible for programme implementation, monitoring and evaluation. The participation of representatives from other external donors in these subcommittees will be crucial to the attainment of full complementarity of efforts and resources as well as technical coherence.

14. The Government and UNDP will promote the programme approach through in-country workshops. This process will be substantially assisted by the results of the human development initiative, jointly funded by UNDP and UNICEF, which will be available by mid-1992. In addition, follow-up workshops to the July 1991 national execution workshop held in the country will be required particularly on the monitoring, reporting and financial management aspects.

15. The key constraint to a fuller implementation of the national execution modality at the beginning of the cycle lies in insufficient numbers of middle-level personnel with an adequate level of knowledge of the relevant policies and procedures. The issues of programme "ownership", responsibility for national programme management and accountability, need to be considered in greater detail with concerned government officials before this execution modality can be given wider applicability.

IV. RECOMMENDATION

16. The fifth country programme for Botswana reflects priority areas of development concern for the country, and is likely to have a considerable multiplier effect on the country's human resource base, due to the emphasis on the training of trainers. It also substantially incorporates the priority themes for development established by the Governing Council. The country programme has been designed to emphasize UNDP's comparative advantages in the specific context of Botswana, and by focusing on institution-building, human resource development and public administration and management, to achieve long-term impact in key areas.

17. The Administrator recommends that the Governing Council approve the fifth country programme for Botswana.